FEDERAL COMMUNICATIONS COMMISSION

In Re Applications of:

DESERT BROADCASTING CORPORATION

For Renewal of License for Station KZAL (FM)
Desert Center, California

MM DOCKET No.: 96-221

File No.: BRH-910327YD

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HERITAGE REPORTING CORPORATION

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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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DESERT BROADCASTING CORPORATION)	File No.:	BRH-	910327YD
For Renewal of License for Station KZAL (FM)))			
Desert Center, California)			

Courtroom No. 2 FCC Building 2000 L Street, N.W. Washington, D.C.

Tuesday, December 10, 1996

The parties met, pursuant to the notice of the Judge, at 9:00 a.m.

BEFORE: HON. JOHN M. FRYSIAK
Administrative Law Judge

APPEARANCES:

On behalf of Name of the Licensee:

LEE W. SHUBERT, ESQUIRE Haley, Bader, & Potts, P.I.C. 4360 North Fairfax Drive, Suite 900 Arlington, Virginia 22203 (703) 841-0806

On Behalf of the Commission:

JAMES W. SHOOK, ESQUIRE Federal Communications Commission Bureau of Enforcement 2025 M Street, N.W. Washington, D.C. 20554 (202) 418-1426

APPEARANCES (Continued):

On Behalf of Worldwide Multimedia:

DAVID E. HONIG, ESQ.
Executive Director
Minority Media & Telecommunications Council
119 Harbor Drive
Key Biscayne, Florida 33149
(305) 365-2475

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Pre-Hearing Conference

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<u>E X H I B I T S</u>

None.

Hearing Began: 9:00 a.m. Hearing Ended: 9:07 a.m.

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- JUDGE FRYSIAK: Good morning all.
- 3 MR. SHOOK: Good morning, Your Honor.
- 4 MR. SHUBERT: Good morning, Your Honor.
- 5 MR. HONIG: Good morning.
- JUDGE FRYSIAK: All right. This is a prehearing
- 7 conference in the matter of Desert Broadcasting Corporation,
- 8 Desert Center, California. Would you note your appearances
- 9 for the record?
- MR. SHUBERT: Lee Shubert, Your Honor, on behalf
- of Desert Center Broadcasting Company
- 12 MR. SHOOK: James Shook, on behalf of the Chief,
- 13 Mass Media Bureau.
- 14 JUDGE FRYSIAK: Thank you. Well, what do we have?
- MR. SHUBERT: Well, Your Honor, as we were talking
- just before you came into the room, we are in the process of
- trying to put together a distress sale for this property.
- 18 If a distress sale cannot be accomplished, it is highly
- 19 unlikely that Desert Center will prosecute and -- well,
- 20 prosecute for a renewal application. It just is not -- the
- 21 people aren't there.
- JUDGE FRYSIAK: Yes. Well, I appreciate your
- 23 difficulties. You've got some pretty tough time
- 24 constraints.
- MR. SHUBERT: Yes, we are aware of that.

- JUDGE FRYSIAK: Well, I suppose just for the sake
- of procedure, we ought to set dates anyway.
- MR. SHOOK: Your Honor, I would be of the view
- 4 that that would probably be a waste of our time. We may as
- 5 well just --
- 6 JUDGE FRYSIAK: A what?
- 7 MR. SHOOK: A waste of our time. We may as well
- 8 just suspend dates, and set a date by which a distress sale
- 9 application should be filed. And if they don't file the
- 10 distress sale application, I think at that point we can
- 11 revisit the question of whether we need to set dates, or
- 12 whether they will simply surrender.
- MR. SHUBERT: Theoretically, and as a practical
- 14 matter, Your Honor, if the station is not back on the air by
- 15 February 9th, the license is forfeited as a matter of law
- 16 anyhow.
- JUDGE FRYSIAK: That's right. So, it doesn't
- 18 matter which way we say.
- 19 MR. SHUBERT: Exactly. I mean, that's a threshold
- that we are not going to get past in any event, regardless
- of whether we go to a hearing or not. Unless somebody comes
- in and is a prospective buyer, and is willing to take over.
- JUDGE FRYSIAK: Well, I would just as soon set
- dates, and have you proceed whether you want to.
- MR. SHUBERT: That's fine, too, Your Honor.

- JUDGE FRYSIAK: Certainly the hearing wouldn't
- take place before February 9th. If you are still alive on
- 3 that date, why --
- 4 MR. SHUBERT: And it is good to see you by the
- 5 way. It has been a long time since the last time.
- JUDGE FRYSIAK: It sure has been.
- 7 MR. SHUBERT: I was surprised when I walked in
- 8 this morning that two of the courtrooms were missing from
- 9 the last time that I was here.
- JUDGE FRYSIAK: We're lucky to have two.
- MR. SHUBERT: Yes. Setting dates is fine; if you
- want to stick with the March 12th date, which I think you
- ruled in your original order, that's fine.
- JUDGE FRYSIAK: And if things fall your way, why
- 15 we can always extend the dates. All right. Then why don't
- we keep the March 12th hearing date, and I would set the
- date for filing exhibits as February 19th, and a
- notification of witnesses by February 28th.
- 19 I won't impose on you any obligation to file a
- distress sale, since you're on your way out.
- MR. SHUBERT: We will attempt to try to get it
- done posthaste. I mean, we have to act as I was saying
- 23 here, we've got less than 30 days to put this thing
- 24 together. Otherwise, it is going to go down the tubes. And
- we have got the holidays intervening as well.

- JUDGE FRYSIAK: You wanted to say something?
- MR. HONIG: No. I'm David Honig, I am not here on
- behalf of a party. I'm here on behalf of Worldwide
- 4 Multimedia Broadcasting Company, which is a potential
- 5 distress sale purchaser. Assuming that a distress sale
- 6 could be worked out, we have tendered an offer, and my
- 7 client asked me last night to communicate to the Court our
- 8 willingness to proceed in the event we are selected as a
- 9 distress sale buyer.
- 10 And our support for the policy, irrespective of
- whether someone else gets selected as a distress sale buyer.
- 12 That's all.
- JUDGE FRYSIAK: Well, is there anything else for
- 14 us to pursue?
- MR. SHUBERT: Happy holidays.
- MR. SHOOK: Merry Christmas, Your Honor.
- 17 JUDGE FRYSIAK: All right. Good wishes are always
- 18 welcome. So, I wish you well.
- MR. SHUBERT: Thank you.
- JUDGE FRYSIAK: What happens, should you file a
- 21 distress sale, why, you will move to suspend dates then.
- Okay. Thank you very much.
- MR. SHUBERT: Thank you, Your Honor.
- 24 (Whereupon, at approximately 9:07 a.m., the
- 25 hearing was concluded.)

REPORTER'S CERTIFICATE

FCC DOCKET NO.:

96-221

CASE TITLE:

Desert Broadcasting Corporation

HEARING DATE:

December 10, 1996

LOCATION:

Washington, D. C.

I hereby certify that the proceedings and evidence are contained fully and accurately on the tapes and notes reported by me at the hearing in the above case before the Federal Communications Commission.

Date:

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Paul Intravia

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I hereby certify that the proceedings and evidence were fully and accurately transcribed from the tapes and notes provided by the above named reporter in the above case before the Federal Communications Commission.

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Date: 12/11/96

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